

STAND. COM. REP. NO.

652

Honolulu, Hawaii

MAR 06 2009

RE: S.B. No. 1277
S.D. 2

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committee on Ways and Means, to which was referred S.B. No. 1277, S.D. 1, entitled:

"A BILL FOR AN ACT RELATING TO HOUSING,"

begs leave to report as follows:

The purpose of this measure is to increase incentives for the development of affordable housing in Hawaii.

Specifically, this measure:

- (1) Establishes a self-help housing trust fund;
- (2) Increases the conveyance tax on transfers or conveyances of real property valued in excess of \$1,000,000, dedicates five per cent of the conveyance tax to the self-help housing trust fund, and increases the conveyance tax contribution to the rental housing trust fund;
- (3) Increases the value of the low-income housing tax credit provided in chapter 235, Hawaii Revised Statutes, by shortening the period over which the credits can be taken from ten years to five years;
- (4) Facilitates the collection of any shared appreciation equity lien, deferred sale price lien, and any excess proceeds in lieu of any buyback provision in the event of a foreclosure of any property that received



assistance from the Hawaii Housing Finance and Development Corporation; and

- (5) Establishes a mortgage credit certificate program to assist qualified low and moderate-income persons purchasing a principal residence with a state income tax credit of up to, or equal to, twenty per cent of the annual mortgage interest payments.

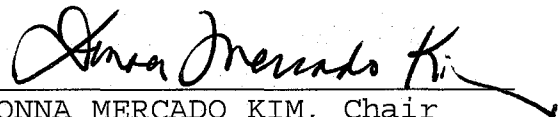
Your Committee received eight comments on this measure. Copies of written comments submitted to the Committee are available for review on the Legislature's website.

Your Committee finds that in spite of past efforts made by the State to ease the housing crisis, particularly for the homeless and low- and moderate-income residents, more assistance is needed. Your Committee finds that the multi-pronged approach contained in this measure may make a significant difference in resolving this situation.

Your Committee has made technical nonsubstantive changes to this measure for purposes of clarity and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1277, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as S.B. No. 1277, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

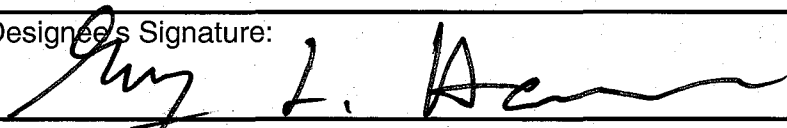


DONNA MERCADO KIM, Chair



The Senate
 Twenty-Fifth Legislature
 State of Hawaii

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:* SB 1277, SD1	Committee Referral: EDH/WTL, WAM	Date: Feb 27, 2009		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
KIM, Donna Mercado (C)	✓			
TSUTSUI, Shan S. (VC)				✓
CHUN OAKLAND, Suzanne	✓			
ENGLISH, J. Kalani	✓			
FUKUNAGA, Carol	✓			
GALUTERIA, Brickwood				✓
HEE, Clayton	✓			
HOOSER, Gary L.	✓			
KIDANI, Michelle N.	✓			
KOKUBUN, Russell S.				✓
TOKUDA, Jill N.	✓			
HEMMINGS, Fred	✓			
TOTAL	9			3
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes